

# Center Directors View Teacher Wage Supplements as Benefiting the Child Care Field

## *Reflections on the DC Early Childhood Educator Pay Equity Fund*

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As a result of payments from the Pay Equity Fund, child care center directors report [finding it easier to recruit and retain teachers](#).

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Directors identify [multiple benefits](#) to their programs and the early childhood education field, such as teachers' increased likelihood of [staying in the field](#), improved opportunities to [pursue educational and professional development](#), and [greater morale and teaching quality](#) in the classroom.

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Some directors see the Pay Equity Fund as [advancing parity between child care and public school teachers](#), while creating [imbalances between the salaries of teaching and non-teaching staff](#) within their centers.

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Survey responses in 2023 reveal this hope was realized. Many directors report the payments have affected new teachers' decisions to start working at their facility (59 percent) and teachers' decisions to keep working at their facility (70 percent) "somewhat" or "a lot."

Directors assert that the payments helped them [attract and retain high-quality teachers](#) (see figure 1).

*[It is] easier to attract higher quality teachers who would otherwise go to public school districts.  
[There is] higher quality teaching and standards, better retention, and higher morale. —Center director*

In 2021, the Council of the District of Columbia (DC) established the Early Childhood Educator Pay Equity Fund ("Pay Equity Fund") to achieve pay parity between early educators in child care programs licensed by the Office of the State Superintendent of Education (OSSE) and teachers in DC public schools. Beginning in FY 2022, eligible educators—including lead and assistant classroom teachers in centers—could receive a lump-sum payment of \$10,000 if a full-time assistant and \$14,000 if a full-time lead teacher. In FY 2023, early educators received quarterly payments totaling the same. In the early implementation of the Pay Equity Fund, interviews conducted with directors of licensed child care facilities indicated overall support for the payments, with the hope that the program would benefit hiring and retention efforts and staff well-being. Yet, center directors shared several early implementation concerns, including their and nonteaching staff's ineligibility for payments, as well as tax liability and program sustainability.

In this fact sheet, we summarize survey responses from 137 directors of 157 child development centers in late summer 2023 to update understanding of the initial impact of Pay Equity Fund payments on facilities and the early childhood education field. Directors' reflections came about a year after the first payments were dispersed, in anticipation of a new payment structure in FY 2024. We will document the shift to this new structure and its effect on the field in future publications.

### THE PAY EQUITY FUND SUPPORTS HIRING AND RETENTION

As the Pay Equity Fund rolled out in late 2022, directors we initially interviewed expressed hope that payments would help with recruitment and retention. Survey

## THE PAY EQUITY FUND IS BOLSTERING THE EARLY EDUCATION FIELD IN DC

Directors also identify benefits that extend beyond their centers and accrue to the field. For instance, **67 percent of directors** agree or strongly agree that **teachers are less likely to leave the early childhood education field** because of the Pay Equity Fund. In open-ended survey responses, some directors link this greater professional commitment to teachers' greater financial well-being, increased morale, and feeling more valued.

Directors also report that the Pay Equity Fund helps increase the quality of child care. As one example, **68 percent of directors** indicate that the Pay Equity Fund impacts teachers' **ability to pursue additional education, training, or other professional development** "somewhat" or "a lot" (with 44 percent saying this is affected a lot). One director describes how payments might be improving the quality of classroom interactions:

*This is great for teachers. They are finally getting the recognition they deserve. I know with this funding the teachers will have a different quality of life, which will reflect on their quality of work performance.*

## THE PAY EQUITY FUND IS ACHIEVING PAY EQUITY GOALS—FOR RECIPIENTS

The primary goal of the Pay Equity Fund is improving pay equity, which has benefits to early educators, their programs, and the quality of care provided to children and their families. Throughout the survey, directors express continued hopes that the Pay Equity Fund can promote pay equity between early educators and public school teachers. At the same time, directors note that the Pay Equity Fund could not fully promote pay equity goals because nonteaching staff—including directors—were ineligible for the lump-sum and quarterly payments. Indeed, **25 percent of directors** say that, because of the Pay Equity Fund, **most teachers at their facilities earn more than them**, and **31 percent agree or strongly agree** that they have **considered changing their role to be eligible for payments**. In open-ended responses, a few directors indicate frustration in having greater educational qualifications or experience yet lower pay than teaching staff because of eligibility rules.

In FY 2024, funds will flow through child care employers rather than being administered as direct payments to early educators. As the Pay Equity Fund continues to evolve, it will be instructive to look at both positive outcomes around recruitment, retention, and care quality, along with any continued challenges with payment eligibility. Keeping directors' perspectives at the forefront can inform future efforts and continue to advance equity in the broader early childhood education workforce.

### PROJECT HOMEPAGE

**DC Child Care Policy Research Partnership**

<https://urbn.is/3UevDIN>

### FACT SHEET

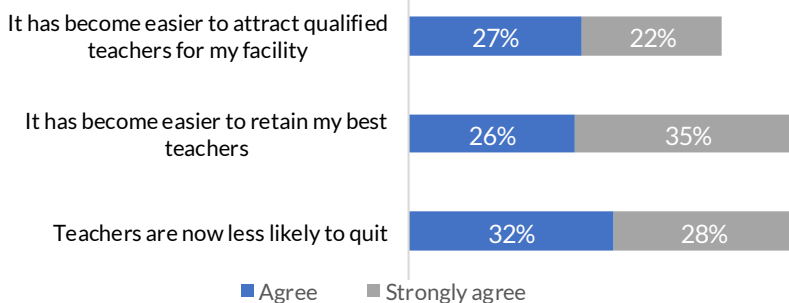
**Child Care Program Directors' Reflections on DC's Early Childhood Educator Pay Equity Fund**

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<https://urbn.is/3OrdJyP>

FIGURE 1

### Directors' Perspectives of Pay Equity Fund Impact on Early Educator Recruitment and Retention



Source: Urban Institute 2023 survey of DC center directors.

Notes: Based on 114–115 observations; survey weights were implemented to represent all DC child development centers employing early educators eligible for Pay Equity Fund payments. Other response options included "strongly disagree," "disagree," and "neither disagree nor agree."